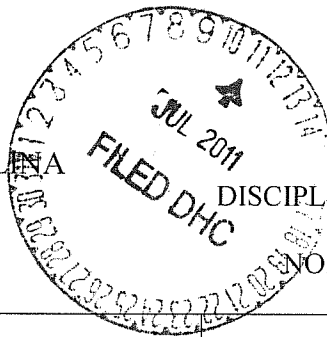


STATE OF NORTH CAROLINA  
WAKE COUNTY



BEFORE THE  
DISCIPLINARY HEARING COMMISSION  
OF THE  
NORTH CAROLINA STATE BAR  
11 DHC 19

THE NORTH CAROLINA STATE BAR,  
Plaintiff

v.

DEAN H. HUMPHREY, Attorney,  
Defendant

COMPLAINT

Plaintiff, complaining of Defendant, alleges and says:

1. Plaintiff, the North Carolina State Bar ("State Bar"), is a body duly organized under the laws of North Carolina and is the proper party to bring this proceeding under the authority granted it in Chapter 84 of the General Statutes of North Carolina, and the Rules and Regulations of the North Carolina State Bar (Chapter 1 of Title 27 of the North Carolina Administrative Code).

2. Defendant, Dean H. Humphrey (hereinafter "Humphrey" or "Defendant"), was admitted to the North Carolina State Bar in 1995, and is, and was at all times referred to herein, an attorney at law licensed to practice in North Carolina, subject to the laws of the State of North Carolina, the Rules and Regulations of the North Carolina State Bar and the Rules of Professional Conduct.

3. During all or part of the relevant periods referred to herein, Humphrey was engaged in the practice of law in the State of North Carolina and maintained a law office in Wilmington, New Hanover County, North Carolina.

Upon information and belief:

FIRST CLAIM FOR RELIEF

4. On or about January 7, 2010 Sherman Curry (hereinafter "Curry") was operating a motor vehicle, owned by Geraldine Moore, (hereinafter "Moore") which was involved in a traffic accident with another vehicle.

5. Moore was a passenger in the vehicle, operated by Curry, at the time of the accident.

6. On or about January 11, 2010 Defendant was retained to represent Curry and Moore regarding their injuries and damages arising out of the accident.

7. Thereafter Defendant entered into settlement negotiations with Integon National Insurance Company, a GMAC Insurance Company (hereinafter "Integon"), on behalf of Curry and Moore. Integon was the insurer of the other vehicle involved in the accident.

8. On or about April 15, 2010 Integon and Defendant reached an agreement to settle Curry's and Moore's claims.

9. Defendant, on behalf of Moore, agreed with Integon on April 15, 2010 to settle Moore's claim for \$8,750.00.

10. Defendant, on behalf of Curry, agreed with Integon on April 15, 2010 to settle Curry's claim for \$8,000.00.

11. At the time Defendant agreed on behalf of Curry and Moore to settle their respective claims with Integon, Defendant did not have authorization from them to settle their claims.

12. On or about April 16, 2010, the day after Defendant settled Curry's claim, Defendant wrote to Curry and falsely represented to him that Integon's initial settlement offer was only \$4,000.00, when in fact Integon had actually offered \$6,135.00.

13. Defendant's April 16, 2010 letter also falsely represented to Curry that \$8,000.00 was the final settlement offer in his case, when in fact Defendant had already settled the case on April 15, 2010.

14. Defendant failed to disclose to Curry that Defendant had already settled Curry's claim with Integon on April 15, 2010 and that Defendant had already advised Integon to send the settlement paperwork to his office.

15. On or about April 16, 2010 Defendant also wrote to Moore and falsely advised her that Integon's initial settlement offer was only \$4,550.00 when in fact Integon had actually offered \$7,000.00.

16. Defendant's April 16<sup>th</sup> letter to Moore also falsely represented to Moore that \$8,500.00 was the final settlement offer in her case, when in fact Defendant had already settled the case on April 15, 2010.

17. Defendant failed to disclose to Moore that Defendant had already settled Moore's claim with Integon on April 15, 2010 and that Defendant had already advised Integon to send the settlement paperwork to his office.

18. Integon sent a settlement check to Defendant for Curry's claim in the amount of \$8,000.00, payable to Defendant and Curry.

19. Integon sent a settlement check to Defendant for Moore's claim in the amount of \$8,750.00, payable to Defendant and Moore.

20. Without their consent or knowledge, Defendant forged Curry's and Moore's signatures to their respective settlement checks.

21. Defendant deposited both settlement checks into his trust account.

22. Defendant gave Curry a trust account check for Curry's portion of the \$8,000.00 settlement and disbursed checks on Curry's behalf to medical providers.

23. Moore refused to accept any money from Defendant which Defendant had received from Integon on Moore's behalf.

24. Moore later discharged Defendant and retained other counsel to pursue her claim.

25. When Moore's new counsel contacted Integon to inform the company that Moore had retained him with respect to the traffic accident, Integon brought a Declaratory Judgment action against Moore based upon Defendant's unauthorized settlement of Moore's claim.

26. Moore and Curry each filed a grievance with the North Carolina State Bar against Defendant.

27. The State Bar Grievance Committee sent to Defendant a Letter of Notice in Moore's and Curry's grievances. Each Letter of Notice required Defendant to provide a written response.

28. Defendant responded to the Letters of Notice in letters dated January 7, 2011, addressed to State Bar counsel and signed by Defendant.

29. Defendant's written responses to the Letters of Notice contained false and misleading representations.

30. Bar counsel sent a follow-up letter to Defendant specifically asking Defendant whether he signed Curry's name to a \$8,000.00 settlement check from GMAC Insurance. In his written response to the follow-up letter, Defendant falsely represented that he had no recollection of endorsing Curry's name and that it was not his practice to endorse settlement checks without the consent of his client. Defendant did, in fact, endorse Curry's name to the settlement check without the consent of Curry.

31. In his responses to the Letters of Notice, Defendant falsely represented that Moore accepted the settlement offered to her. In his responses to the Letters of Notice, Defendant falsely represented that Moore told Defendant Curry also accepted the settlement offered to him. In fact, Defendant had already settled both Moore's and Curry's claims without their knowledge or consent.

32. In his responses to the Letters of Notice, Defendant falsely represented that he called the insurance adjuster to send both settlement checks to him after he was authorized by Moore and Curry to accept the settlement offers.

THEREFORE, Plaintiff alleges that Defendant's foregoing actions constitute grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b)(2) in that Defendant violated the Rules of Professional Conduct in effect at the time of the conduct as follows:

- a. By failing to advise Curry and Moore of the initial settlement offers by Integon, by falsely representing to them the amounts of the initial offers, by settling their claims without their authorization, and by signing their names to the settlement checks without their knowledge or authorization, Defendant failed to properly inform Curry and Moore with respect to their claims, failed to reasonably consult with his clients, Curry and Moore, failed to keep Curry and Moore reasonably informed about the status of their claims and failed to explain their matters to the extent reasonably necessary to permit them to make informed decisions in violation of Rule 1.4(a)(1)(2) and (3) and Rule 1.4 (b);
- b. By making false representations to Curry and Moore regarding Integon's offers of settlement, Defendant engaged in conduct involving dishonesty, fraud, deceit or misrepresentation in violation of Rule 8.4(c);
- c. By settling Curry's and Moore's claims without their consent, forging their names on the settlement checks, and falsely representing to the insurance company that he had authorization to settle the claims, Defendant engaged in conduct involving dishonesty, fraud, deceit or misrepresentation in violation of Rule 8.4(c), engaged in conduct that is prejudicial to the administration of justice in violation of Rule 8.4(d) and committed criminal acts that reflect adversely on Defendant's honesty, trustworthiness or fitness as a lawyer in other respects in violation of Rule 8.4(b) and
- d. By giving making false and misleading representations to the North Carolina State Bar in connection with a disciplinary matter, Defendant knowingly made false statements of material fact in violation of Rule 8.1(a) and (b) and engaged in conduct involving dishonesty, fraud, deceit or misrepresentation in violation of Rule 8.4(c).

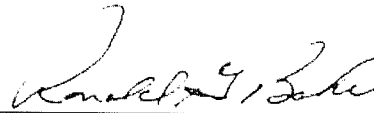
WHEREFORE, Plaintiff prays that:

(1) Disciplinary action be taken against Defendant in accordance with N.C. Gen. Stat. § 84-28(a) and § .0114 of the Discipline and Disability Rules of the North Carolina State Bar (27 N.C.A.C. 1B § .0114), as the evidence on hearing may warrant;

(2) Defendant be taxed with the administrative fees and costs permitted by law in connection with this proceeding; and

(3) For such other and further relief as is appropriate.

The 11<sup>th</sup> day of July, 2011.



Ronald G. Baker, Sr., Chair  
Grievance Committee



William N. Farrell  
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The North Carolina State Bar  
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919-828-4620

Attorney for Plaintiff